## Message Text

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INFO OCT-01 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00 COME-00 DODE-00 EB-08 DOE-15 H-01 INR-10 INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-05 USIA-06 OES-07 SP-02 SS-15 STR-07 TRSE-00 ACDA-12 /123 W -------019628 291208Z /15

R 290759Z MAR 78 FM AMCONSUL ISTANBUL TO SECSTATE WASHDC 9794 INFO AMEMBASSY ANKARA AMCONSUL IZMIR AMCONSUL ADANA

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E.O. 11652: N/A TAGS: ENRG, TU

SUBJECT: STATUS OF MOBIL OIL

REF: (A) ISTANBUL 648, (B) ISTANBUL 441, (C) ISTANBUL 178

1. REFTELS REPORTED MOBIL'S FINANCIAL DIFFICULTIES RESULTING FROM GOT PAYMENT ARREARAGES FOR CRUDE OIL IMPORTS AND GOT FAILURE TO ADJUST REFINING MARGINS FOR CRUDE PRICE INCREASES SINCE 1975. BILLI HAS REFUSED TO IMPORT ADDITIONAL CRUDE OIL EXCEPT ON A CASH PAYMENT BASIS, AND LAST CARGO WAS IMPORTED IN EARLY FEBRUARY. ATAS REFINERY, MAJORITY OWNED BY MOBIL, IS CURRENTLY OPERATING AT MINIMUM CAPACITY ON SUPPLIES OF INDIGENOUS CRUDE, BUT WILL SHUT DOWN IN MID-APRIL WITHOUT ADDITIONAL IMPORTS.

2. PETROLEUM AFFAIRS GENERAL DIRECTORAGE (WITHIN ENERGY MINISTRY) ADVISED MOBIL FEBRUARY 27 THAT REFINING OPERATIONS WOULD BE NATIONALIZED AT THE END OF 90 DAY PERIOD IF ATAS OPERATIONS WERE NOT RESTORED TO FULL CAPAICTY. MOBIL'S FORMAL REQUEST TO PETROLEUM DIRECTORATE FOR RECONSIDERATION WAS DENIED ON LIMITED OFFICIAL USE

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MARCH 14, AND MOBIL GENERAL MANAGER CASANOVA APPEALED DIRECTLY TO ENERGY MINISTER BAYKAL IN A LETTER DATED MARCH 23 (COPY OF BOTH LETTERS POUCHED TO EUR/SE).

3. SOLE POSITIVE DEVELOPMENT TO DATE IS UNOFFICIAL COMMUNICATION FROM GOT CENTRAL BANK INDICATING BANK'S INTENTION TO MAKE SIX MILLION DOLLARS AVAILABLE TO MOBIL FOR IMPORT OF CRUDE OIL.

IF AND WHEN FORTHCOMING, THIS WILL ENABLE MOBIL TO BRING IN ONE
ADDITIONAL CARGO OF CRUDE, AND WILL KEEP REFINERY OPERATING AT
MINIMUM CAPACITY THROUGH END OF APRIL.

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## Message Attributes

Automatic Decaptioning: X Capture Date: 01 jan 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: OILS, IMPORTS, REFINERIES, PETROLEUM CONCESSIONS

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Disposition Comment: 25 YEAR REVIEW

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Disposition Remarks:
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SAS ID: 3173105 Secure: OPEN Status: NATIVE

Subject: STATUS OF MOBIL OIL TAGS: ENRG, EFIN, TU, MOBIL OIL CO

To: STATE Type: TE

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Review Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

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